

ROBBINS GELLER RUDMAN
& DOWD LLP
DARREN J. ROBBINS (168593)
ROBERT R. HENSSLER JR. (216165)
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)
darrenr@rgrdlaw.com
bhenssler@rgrdlaw.com
cstewart@rgrdlaw.com
mbalotta@rgrdlaw.com

BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
BLAIR A. NICHOLAS (178428)
BENJAMIN GALDSTON (211114)
12481 High Bluff Drive, Suite 300
San Diego, CA 92130
Telephone: 858/793-0070
858/793-0323 (fax)
blairn@blbglaw.com
beng@blbglaw.com
lucas.gilmore@blbglaw.com
brandon.marsh@blbglaw.com

Lead Counsel for Lead Plaintiffs

[Additional counsel appear on signature page.]

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

In re QUALITY SYSTEMS, INC.
SECURITIES LITIGATION

No. 8:13-cv-01818-CJC-JPR

CLASS ACTION

This Document Relates To:

JOINT CASE MANAGEMENT
REPORT

ALL ACTIONS.

1 Pursuant to Rule 26(f) of the Federal Rules of Civil Procedure (“Federal
2 Rules” or “Fed. R. Civ. P.”), the parties jointly submit this Joint Case Management
3 Report and Fed. R. Civ. P. 26(f) Discovery Plan (the “Report”).

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5 **I. RULE 26(F) CONFERENCE**

6 On October 17, 2017 counsel for the parties met telephonically pursuant to
7 Fed. R. Civ. P. 26(f) and discussed the matters presented in this Report. The
8 following individuals were in attendance and assisted in developing this Report:
9 Benjamin Galdston of Bernstein Litowitz Berger & Grossmann LLP and Robert
10 Henssler, Christopher Stewart and Matthew Balotta of Robbins Geller Rudman &
11 Dowd LLP participated on behalf of the Lead Plaintiffs Arkansas Teacher
12 Retirement System and City of Miami Fire Fighters’ and Police Officers’
13 Retirement Trust (“Plaintiffs”).

14
15 Andrew Gray, Nicholas Siciliano and Mazamir Yousefi of Latham &
16
17 Watkins LLP participated on behalf of Quality Systems, Inc. (“QSI”), Steven T.
18 Plochocki, Sheldon Razin and Paul Holt (collectively, “Defendants”).

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20 **II. DISCOVERY PLAN**

21 Pursuant to Fed. R. Civ. P. 26(f)(3), the parties set forth their views and
22 proposals on the following topics:
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1 **A. Proposed Changes, if Any, in Timing, Form or Requirement**
2 **for Disclosures Under Fed. R. Civ. P. 26(a), Including a**
3 **Statement of When Initial Disclosures Will Be Made**

4 The parties do not contemplate any changes in the form or requirements of
5 disclosures pursuant to Fed. R. Civ. P. 26(a)(1). The parties will exchange initial
6 disclosures pursuant to Fed. R. Civ. P. 26(a)(1)(C) on November 10, 2017.

7 **B. Subjects on Which Discovery May Be Needed, When**
8 **Discovery Should Be Completed and Whether Discovery**
9 **Should Be Conducted in Phases or Be Limited to or**
10 **Focused on Particular Issues**

11 Without waiver of their right to take discovery on other relevant issues, and
12 while expressly reserving any and all rights and objections concerning the
13 proprietary of such discovery, the parties currently believe that discovery will be
14 needed in the following areas:

15 **1. Plaintiffs**

16 Plaintiffs intend to seek discovery related to the allegations in the Amended
17 Complaint for Violations of the Federal Securities Laws (Dkt. No. 26)
18 (“Complaint”), including, but not limited to, the alleged false statements and
19 omissions regarding:
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- a. The market in which QSI operated;
- b. The basis for and the reliability of QSI's financial forecasts and guidance;
- c. Risks to QSI's business;
- d. Demand for QSI's products and services; and
- e. QSI's sales and sales opportunities, cycle, and "pipeline."

2. Defendants

Defendants intend to seek discovery from Plaintiffs and relevant third parties regarding:

- a. Plaintiffs' and putative class members' investment in, and ownership of, QSI common stock;
- b. Class certification, including but not limited to the class certification requirements set forth in Federal Rule of Civil Procedure 23 and whether Plaintiffs are appropriate class representatives;
- c. Communications between Plaintiffs any putative class members or any third parties regarding QSI;
- d. The Confidential Witness allegations set forth in Plaintiffs' Complaint;
- e. The electronic health record industry during the relevant time period; and
- f. Other allegations in the Complaint.

3. Sequence and Timing

The parties propose that all fact discovery be completed by the date set forth in Appendix A, attached hereto.

C. Issues About Disclosure or Discovery of Electronically Stored Information, Including the Form or Forms in Which It Should Be Produced

Steps have been and will continue to be taken by the parties to retain information in an electronically discoverable format. The parties anticipate that

1 they will reach agreement on a protocol concerning the discovery of electronically
 2 stored information, which will include the form of production of such data.

3 **D. Issues About Claims of Privilege or of Protection as Trial-**
 4 **Preparation Materials, Including – if the Parties Agree on a**
 5 **Procedure to Assert These Claims After Production –**
 6 **Whether to Ask the Court to Include Their Agreement in**
 7 **an Order**

8 The parties currently are discussing issues about claims of privilege and
 9 other protections, including a procedure to assert these claims after production.
 10 The parties anticipate memorializing an agreement regarding these issues in a
 11 stipulated confidentiality and [proposed] protective order.

12 **E. What Changes Should Be Made in the Limitations on**
 13 **Discovery Imposed Under These Rules or by Local Rule,**
 14 **and What Other Limitations Should Be Imposed**

15 The parties agree to abide by the discovery limitations in the Federal Rules,
 16 but reserve the right to petition the Court for additional deponents or extended
 17 depositions should the need arise. The parties also reserve the right to oppose any
 18 such request.

19 **F. Any Other Orders that the Court Should Issue Under Fed.**
 20 **R. Civ. P. 26(c) or Under Fed. R. Civ. P. 16(b) and (c)**

21 The parties propose that the Court issue a stipulated confidentiality and
 22 [proposed] protective order pursuant to Fed. R. Civ. P. 26(c), which the parties
 23 intend to submit to the Court.

24 **III. ADDITIONAL LOCAL RULE REQUIREMENTS**

25 Pursuant to Local Rule 26-1, the parties set forth their views and proposals
 26 on the following topics:
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1 **A. The Complexity of the Case, and Whether All or Part of the**
2 **Procedures of the Manual for Complex Litigation Should**
3 **Be Utilized**

4 The parties agree that this case should not be subject to the Manual for
5 Complex Litigation.

6 **B. The Dispositive or Partially Dispositive Motions Which Are**
7 **Likely to Be Made, and a Cutoff Date by Which All Such**
8 **Motions Shall Be Made**

9 The deadlines for Plaintiffs' motion for class certification, Defendants'
10 response, and Plaintiffs' reply shall be filed in accordance with Appendix A.
11 Similarly, the deadlines for summary judgment motions, responses and replies are
12 set forth in Appendix A.

13 **C. The Likelihood of Settlement, Whether Settlement**
14 **Discussions Have Taken Place or Are Scheduled, and**
15 **Which Mandatory Settlement Procedure Should Be Utilized**

16 The parties have not engaged in any settlement discussions and believe it is
17 premature to do so at this time. The parties agree that ADR Procedure No. 3 in
18 Local Rule 16-15.4 is the preferred method of settlement discussion at the
19 appropriate time.

20 **D. A Preliminary Estimate of the Time Required for Trial**

21 Although it is difficult at this time to estimate the length of trial, if any,
22 required to adjudicate this dispute, the parties believe that a trial of this matter
23 likely will last approximately three weeks for the initial class-wide liability
24 determination.
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E. The Likelihood of Appearance of Additional Parties

The parties do not anticipate the appearance of any additional parties at this time. The deadline for adding any additional parties is set forth in Appendix A.

F. The Proposed Timing of Expert Disclosures

The parties shall identify and disclose all expert witnesses and expert reports, including rebuttal experts and reports, and shall conduct expert discovery, by the applicable deadlines set forth in Appendix A.

IV. PROPOSED CASE SCHEDULE

A. Discovery Sequencing

As described above and set forth in Appendix A, class certification discovery and briefing shall occur while fact discovery is ongoing and shall be completed before fact discovery is completed.

B. Expert Discovery

See §III.F, above.

C. Motions

Plaintiffs shall file any motion to amend the Complaint on or before the date set forth in Appendix A.

DATED: October 31, 2017

ROBBINS GELLER RUDMAN
& DOWD LLP
DARREN J. ROBBINS
ROBERT R. HENSSLER JR.
CHRISTOPHER D. STEWART
MATTHEW J. BALOTTA

s/ ROBERT R. HENSSLER JR.
ROBERT R. HENSSLER JR.

655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
BLAIR A. NICHOLAS
BENJAMIN GALDSTON
LUCAS E. GILMORE
BRANDON MARSH

12481 High Bluff Drive, Suite 300
San Diego, CA 92130
Telephone: 858/793-0070
858/793-0323 (fax)

– and –

GERALD SILK
AVI JOSEFSON
1285 Avenue of the Americas, 38th Floor
New York, NY 10019
Telephone: 212/554-1400
212/554-1444 (fax)

Lead Counsel for Lead Plaintiff

CYPEN & CYPEN
STEPHEN H. CYPEN
975 Arthur Godfrey Road, Suite 500
Miami Beach, FL 33140
Telephone: 305/532-3200
305/535-0050 (fax)

KLAUSNER, KAUFMAN, JENSEN
& LEVINSON
ROBERT D. KLAUSNER
7080 NW 4th Street
Plantation, FL 33317
Telephone: 954/916-1202
954/916-1232 (fax)

Additional Counsel for Lead Plaintiff

DATED: October 31, 2017

LATHAM & WATKINS, LLP
PETER A. WALD
MICHELE D. JOHNSON
ANDREW R. GRAY

s/ ANDREW R. GRAY

ANDREW R. GRAY

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650 Town Center Drive, 20th Floor
Costa Mesa, CA 92626-1925
Telephone: 714/540-1235
714/755-8290 (fax)

LATHAM & WATKINS, LLP
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Telephone: 415/391-0600
415/395-8095 (fax)

Attorneys for Defendants Quality
Systems, Inc., Steven Plochocki, Paul
Holt and Sheldon Razin

Appendix A

Action	Proposed Date
Defendants' Answer	November 7, 2017
Class Certification	
Plaintiffs' Opening Motion & Brief	February 16, 2018
Defendants' Opposition Brief	March 21, 2018
Plaintiffs' Reply Brief	April 20, 2018
Fact Discovery	
Exchange of initial disclosures under Fed. R. Civ. P. 26(a)(1)	November 10, 2017
Substantial Production of Documents Deadline, with Production of Privilege Logs to Follow Reasonably Thereafter	March 16, 2018
Deadline to amend pleadings or add any additional parties	April 1, 2018
Deadline to exchange privilege logs	April 6, 2018
Fact Discovery Cut-Off	October 5, 2018
Expert Discovery	
Deadline for party with burden of proof to serve expert reports under Fed. R. Civ. P. 26(a)(2)	November 16, 2018
Deadline for opposing party to serve expert reports	December 21, 2018
Deadline for party with burden of proof to serve reply expert reports	February 8, 2019
Expert Discovery Cut-Off	March 22, 2019
Dispositive Motions	
Summary Judgment (or other dispositive motion) and <i>Daubert</i> Opening Motions & Briefs	April 19, 2019
Summary Judgment and <i>Daubert</i> Oppositions	May 31, 2019
Summary Judgment and <i>Daubert</i> Replies	June 21, 2019
Trial	
All pretrial conference papers pursuant to Local Rule 16	September 17, 2019
Final Pretrial Conference	October 15, 2019
Proposed Trial Date	October 29, 2019

CERTIFICATE OF SERVICE

I hereby certify that on October 31, 2017, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I caused to be mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on October 31, 2017.

s/ ROBERT R. HENSSLER JR.

ROBERT R. HENSSLER JR.

ROBBINS GELLER RUDMAN
& DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101-8498
Telephone: 619/231-1058
619/231-7423 (fax)

E-mail: bhenssler@rgrdlaw.com

Mailing Information for a Case 8:13-cv-01818-CJC-JPR In re Quality Systems, Inc. Securities Litigation

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case.

- **Matthew James Balotta**
mbalotta@rgrdlaw.com,e_file_sd@rgrdlaw.com,lmix@rgrdlaw.com
- **Benjamin Galdston**
beng@blbglaw.com
- **Lucas E Gilmore**
lucas.gilmore@blbglaw.com
- **Andrew Gray**
andrew.gray@lw.com,andrew-gray-3541@ecf.pacerpro.com,#oecf@lw.com,khadijah-fields-2405@ecf.pacerpro.com,jana.roach@lw.com
- **Robert Russell Henssler , Jr**
bhenssler@rgrdlaw.com,e_file_sd@rgrdlaw.com,tjohnson@rgrdlaw.com
- **Michele D Johnson**
michele.johnson@lw.com,michele-johnson-7426@ecf.pacerpro.com,#oecf@lw.com,khadijah-fields-2405@ecf.pacerpro.com,jana.roach@lw.com
- **Brandon Marsh**
Brandon.Marsh@blbglaw.com
- **Blair A Nicholas**
blairn@blbglaw.com,denab@blbglaw.com,davidd@blbglaw.com,Ashley.Lee@blbglaw.com,amyn@blbglaw.com,errol.hall@blbglaw.com,kayem@blbglaw.com,nikim
- **Brian Oliver O'Mara**
bomara@rgrdlaw.com,e_file_sd@rgrdlaw.com
- **Nicholas J Siciliano**
nicholas.siciliano@lw.com,nicholas-siciliano-5932@ecf.pacerpro.com
- **Gerald H Silk**
jerry@blbglaw.com
- **Christopher Dennis Stewart**
CStewart@rgrdlaw.com,e_file_sd@rgrdlaw.com,nhorstman@rgrdlaw.com,tjohnson@rgrdlaw.com,ldeem@rgrdlaw.com
- **Jordanna G Thigpen**
jthigpen@jllplaw.com,vcassis@jllplaw.com
- **Peter Allen Wald**
peter.wald@lw.com,peter-wald-7073@ecf.pacerpro.com,#oecf@lw.com,#sflitigationservices@lw.com,andrew.gray@lw.com,michael.kang@lw.com
- **Whitney Bruder Weber**
whitney.weber@lw.com,whitney-weber-2642@ecf.pacerpro.com,#sflitigationservices@lw.com
- **Jeff S Westerman**
jwesterman@jswlegal.com

Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

Stephen H Cypen
Cypen and Cypen
777 Arthur Godfrey Road Suite 320
Miami Beach, FL 33140

Avi Josefson
Bernstein Litowitz Berger and Grossmann LLP
1285 Avenue of the Americas
New York, NY 10019